



# Practice Management Software Buyer's Guide

How to Choose a Practice Management and Medical Billing Solution

# Introduction

This guide will illustrate the value of practice management and medical billing software solutions, provide insight into the benefits you can achieve in your practice by using a qualified vendor, and offer helpful tips on how to choose the best practice management for your business.

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# Why Do You Need Practice Management Software?

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In the ever-changing healthcare landscape, medical practice management software is essential in order to effectively and efficiently coordinate communications, transactions, and interactions between patients, providers, payers, and other systems. As regulatory provisions and insurance company rules become even more complex, it's vital that practices find a way to streamline processes and achieve a good first pass resolution rate. The right practice management software can help you achieve this by automating administrative and billing tasks.

The first step of selecting the best practice management software for your practice is understanding what inefficiencies you want it to solve for. Here are a few of the benefits of having the software.

## Increased Office Efficiency

Minimize paperwork, manual work, and reduce errors by adding automation to your front-office and back-office workflows. With a quality software you can coordinate operations and increase communication and efficiency.

## Simplified EHR Software Integration

A seamless integration between your practice management software and EHR integration will give you access to more patient data and improve not only your revenue cycle but your clinical workflows as well.

## Streamlined Coding

Ensure claims are submitted to payers in a timely and proper manner. With built-in edits for coding and claim scrubbing features, your staff can submit cleaner claims on the first pass.

## Improved Claim Tracking

Easily Follow-up on individual claims to track their progress with the insurer, so you can receive timely reimbursement. Set tasks to follow-up so you never have to worry about a missing or unpaid claim.

## Enhanced Financial Reporting

Generate financial reports and pull data to analyze your practice's fiscal health. This will help you identify any areas that you need to improve in your revenue cycle whether it be patient billing collections or insurance payer reimbursement.

## Improved Patient Experience

Make appointment scheduling easy, generate, and send patients their balance statements and predetermine whether patients will owe anything out of pocket before their appointment. Engaging patients at every step helps them stay involved with their care and makes for a better patient experience.

# What Features Do You Need in Practice Management Software?

Choosing and integrating a well-supported and compliant PMS can be challenging. The next step in evaluating a software is verifying that the below functions/ features exist and are easy-to-learn and scalable for your practice. Without these core capabilities the front-office and back-office functions will suffer, and the process of reimbursement will be daunting. Here are some key features and capabilities you should consider.

## Capture Patient Demographics

Ensure accurate patient information, which will save the claims from denials and rejections.

## Appointment Scheduler

Easily schedule and manage patient visits.

## Eligibility Verification

Determine patient financial responsibility for collections at the point of care.

## Claim Generation

Create claims and enter charges but also checks for billing and coding errors

## Claim Transmission

Submit claims electronically, and in real-time so you can get answers about the status of your claims within seconds of submission.

## Claim Follow-Up & Tracking

Follow up on individual claims to track their progress with the insurer and in case of denial or rejection, the ability to re-submit a claim with suggested edits. encounters), and Insurance Payer Reports.

## Patient Statements Creation

Create and send automatic patient statements so the balance can be covered.

## Maintain Insurance Payer Lists

A good clearinghouse partnership will have a large maintained payer list, so you can get insurance payment much faster.

## Payment Posting

Post payments directly within the system so you can automatically reconcile payments received.

## Reporting Features

Generate and build reports so you can measure the performance of your practice. Key reports include: Account Receivable, KPI reports ( total charges, collections, adjustments, and patient encounters), and Insurance Payer Reports.



# Choosing Your Practice Management Software

When selecting practice management software, you should keep several important factors in mind. Along with establishing a specific list of required features and billing capabilities, you will want to consider the following so you can compare vendors accordingly. Check for ease of use, and robust and efficient billing options and claims tools. Make sure the solution can handle your kind of practice and/or specialty. When considering cost, be aware of hidden fees or any upfront payments needed before setting up the solution. You'll want to also ensure that an interface can be built or already exists for seamless EHR/EMR integration.

Look carefully at reporting features; the tool should help you boost the practice's performance across functions. Confirm compliance and security. Make sure enough support and training are provided by the vendor. Validate the vendor's reputation: you are looking for a partner who will work hard to make your solution a success.

☒ **Ease of Use**

☒ **Experience with Specialty**

☒ **Reporting and Data Analysis**

☒ **Compliance and Security**

☒ **Interfacing**

☒ **Cost**

☒ **Training**

☒ **Support**

☒ **Reputation**



# Practice Management System Buyer's Checklist Questionnaire



When researching and purchasing a practice management and medical billing solution, these are the key considerations: Answering the following essential questions will help form the foundation of an informed selection process.

## Features

☐ Are these basic features included?

- Appointment Scheduling
- Eligibility Verification
- Claim Transmission
- ERA (Electronic Remittance Advice)
- Claim Follow-Up and Tracking
- Patient Statements Creation
- Payment Posting
- Reporting & Analytics

## Sales & Service

☐ Work directly with the software vendor?

☐ Work through a reseller of the software?

## Types of Software

☐ Is cloud-based software for me?

☐ Is a traditional installed client-server software for me?

## Software Vendor's Experience & Level of Support

Number of customers? \_\_\_\_\_

Number of practices like mine? \_\_\_\_\_

## Types of Billing Handled?

☐ HCFA-1500 (CMS 1500)

☐ UB-04 (CMS 1450)

## Offer References or Testimonials?

☐ Yes

☐ No

## Able to work with me through transitions to their product(s)?

☐ Data migration

☐ Enrollment and setup

## EHR Connectivity Options

Is the EHR a part of the PM system ("integrated") and is that best for my practice?

☐ Yes

☐ No

- **What is the total cost?**
- **What's my budget?**
- **What are the upfront costs of the software?**
- **What are the on-going costs of the software?**
- **Is it intuitive for staff usage?**
- **Does it meet HIPAA security and administrative simplification requirements?**
- **Do upgrades require your practice to purchase a new version of the system?**

A good practice management and medical billing software solution, well implemented, will make a major difference to your revenue in just a few months.

As practices grow and the number of patients increases, it becomes critical to streamline processes and achieve a good first-pass resolution rate. Medical claim rejection and denials can be the most significant challenge for a physician's practice. **30% of claims are either denied, lost, or ignored.** Having a practice management system in place can help you manage the billing process through a complete cycle and can reduce the burden on staff, so you can focus on delivering quality patient care.

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Choosing medical practice management software is an important decision. Since practice management software covers vital parts of your business, it can either help you perform above and beyond your expectations or hinder your success. To ensure your practice is successful, it's critical to choose the best software for your staff and workflow.